

**Commonwealth of Kentucky  
Natural Resources and Environmental Protection Cabinet  
Department for Environmental Protection  
Division for Air Quality  
803 Schenkel Lane  
Frankfort, Kentucky 40601  
(502) 573-3382**

**STATE ORIGIN  
AIR QUALITY PERMIT**

**Permittee Name:** Southern States Cooperative, Incorporated  
**Mailing Address:** P.O. Box 26234, Richmond, VA 23260

**is authorized to operate a feed mill**

**Source Name:** Medallion Feed Company  
**Mailing Address:** 1102 Fulton Road, Mayfield, Kentucky  
**Source Location:** Same as above

**KYEIS ID #:** 072-1480-0014  
**SIC Code:** 5153, 2048

**Region:** Paducah/Cairo  
**County:** Graves

**Permit Number:** S-97-111 (Revised)  
**Log Number:** F793  
**Permit Type:** Operating

**Issuance Date:** September 25, 1998  
**Expiration Date:** January 7, 2003

---

**John E. Hornback, Director  
Division for Air Quality**

## **SECTION A - PERMIT AUTHORIZATION**

Pursuant to a duly submitted application which was determined to be administratively and technically complete, the Kentucky Division for Air Quality hereby authorizes the operation of the equipment described herein in accordance with the permit application, and other information submitted by the permittee. This permit has been issued under the provisions of Kentucky Revised Statutes Chapter 224 and regulations promulgated pursuant thereto.

The permittee shall not construct, reconstruct, alter, or modify any affected facilities without first having submitted a complete application and receiving a permit for the planned activity from the permitting authority, except as provided in this permit or in the Regulation 401 KAR 50:035, Permits.

Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits, licenses, or approvals required by this Cabinet or any other federal, state, or local agency.

**SECTION B - EMISSION POINTS, AFFECTED FACILITIES, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS**

01	(-)	Truck Receiving
	(-)	Outdoor Storage Bins
	(-)	Truck Loadout
	(-)	Elevator Legs
	(-)	Conveyors and Transfer Points
08	(-)	Mixer (Hayes & Stolz)
09	(-)	Haul Road and Yard Area (Paved)
11	(-)	Cleaner (CPM Whirly Feed)

**1. Applicable Regulations:**

State Regulation 401 KAR 63:010, Fugitive Emissions, applies to each of the affected facilities listed above.

**Applicable Requirements:**

a) The haul road and yard area (Emission Point 09) shall be controlled with water on a regular basis so as to comply with the requirements specified in 401 KAR 63:010, Section 3, Standards for Fugitive Emissions. In addition, the materials processed at the other affected facilities listed above (Emission Points 01, 08, and 11) shall be controlled with enclosures so as to comply with the requirements specified in State Regulation 401 KAR 63:010, Section 3.

b) The owner or operator of each affected facility listed above shall comply with the requirements of State Regulation 401 KAR 63:010, Section 3(2) as follows: No person shall cause or permit the discharge of visible fugitive dust emissions beyond the lot line of the property on which the emissions originate.

**Compliance Demonstration Method:** See Section C, General Condition F.2.

**2. Operating Limitations:**

N/A

**SECTION B - EMISSION POINTS, AFFECTED FACILITIES, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**

**3. Emission Limitations :**

N/A

**4. Testing Requirements:**

N/A

**5. Monitoring Requirements:**

See Section C, General Condition F.2.

**6. Recordkeeping Requirements:**

See Section C, General Conditions B.1., B.2., and F.2.

**7. Reporting Requirements:**

See Section C, General Conditions C.1., C.2., and F.3.

**SECTION B - EMISSION POINTS, AFFECTED FACILITIES, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**

<b>04</b>	<b>(-)</b>	<b>Grain Dryer (Zimmerman AP-1200) (Maximum Rated Capacity 33 tons/hour)</b>
<b>05</b>	<b>(-)</b>	<b>Hammermill (Jacobsen) (Maximum Rated Capacity 25 tons/hour)</b>
<b>10</b>	<b>(-)</b>	<b>Pellet Mill (Maximum Rated Capacity 8 tons/hour)</b>
	<b>(-)</b>	<b>Pellet Mixer (Hayes &amp; Stolz) (Maximum Rated Capacity 8 tons/hour)</b>
	<b>(-)</b>	<b>Pellet Cooler (Maximum Rated Capacity 8 tons/hour)</b>

**1. Applicable Regulations:**

State Regulation 401 KAR 59:010, New process operations, applies to each of the affected facilities listed above (Emission Points 04, 05, and 10).

**2. Operating Limitations:**

N/A

**3. Emission Limitations:**

a. Pursuant to Regulation 401 KAR 59:010, Section 3(2):

1. Combined emissions of particulate matter from the Grain Dryer (Emission Point 04) shall not exceed 30.3 lbs/hr.
2. Combined emissions of particulate matter from the Hammermill (Emission Point 05) shall not exceed 26.4 lbs/hr.
3. Combined emissions of particulate matter from the Pellet Operation (Emission Point 10) shall not exceed 13.0 lbs/hr.

b. Pursuant to Regulation 401 KAR 59:010, Section 3(1):

1. Opacity of visible emissions from each affected facility (Emission Points 04, 05, and 10) shall not exceed 20 percent.

**SECTION B - EMISSION POINTS, AFFECTED FACILITIES, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**

**3. Emission Limitations (continued):**

**Compliance Demonstration Method:**

Compliance with the applicable standard shall be demonstrated by calculating particulate emissions from the hourly processing rate, emission factor, and control efficiency information.

Compliance with the opacity standard shall be maintained by a daily observation of visible emissions during daylight hours.

**4. Testing Requirements:**

EPA Reference Method 9 shall be used to determine opacity and shall be performed upon the Division's request. Performance test/compliance demonstrations using Method 5 may be required upon the Division's request in order to show compliance with the particulate matter mass emission standard.

**5. Monitoring Requirements:**

See Section C, General Condition F.2.

**6. Recordkeeping Requirements:**

See Section C, General Conditions B.1., B.2., and F.2.

**7. Reporting Requirements:**

See Section C, General Conditions C.1., C.2., and F.3.

**SECTION B - EMISSION POINTS, AFFECTED FACILITIES, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**

**12 (-) Indirect Heat Exchanger  
(First Thermal Systems  
Lookout Model BL-5-G-PF)**

**1. Applicable Regulations:**

State Regulation 401 KAR 59:015, New indirect heat exchangers, applies to the boiler listed above (Emission Point 12).

**2. Operating Limitations:**

N/A

**3. Emission Limitations:**

- a. Pursuant to Regulation 401 KAR 59:015, Section 4(1)(a) and Section 5(1)(a), emissions of particulate matter and sulfur dioxide shall not exceed 2.0 lbs/mmBTU and 10.5 lbs/mmBTU, respectively.
- b. Pursuant to Regulation 401 KAR 59:015, Section 4(2) and Section 5(2), opacity of visible emissions shall not exceed 20 percent. A maximum of 40 percent opacity shall be permissible for not more than six consecutive minutes in any sixty consecutive minutes during cleaning of the fire box or blowing soot.

**Compliance Demonstration Method:** See Section C, General Condition F.2.

**4. Testing Requirements:**

EPA Reference Method 9 shall be used to determine opacity and shall be performed upon the Division's request. Performance test/compliance demonstrations using Method 5 may be required upon the Division's request in order to show compliance with the sulfur dioxide and particulate matter mass emission standards.

**5. Monitoring Requirements:**

See Section C, General Condition F.2.

**6. Recordkeeping Requirements:**

See Section C, General Conditions B.1., B.2., and F.2.

**7. Reporting Requirements:**

See Section C, General Conditions C.1., C.2., and F.3.

## **SECTION C - GENERAL CONDITIONS**

### **A. Administrative Requirements**

1. The permittee shall comply with all conditions of this permit. Noncompliance shall be (a) violation(s) of State Regulation 401 KAR 50:035, Permits, Section 7 and is grounds for an enforcement action including but not limited to the termination, revocation and reissuance, or revision of this permit.
2. This permit shall remain in effect for a fixed term of five (5) years following the original date of issue. Permit expiration shall terminate the source's right to operate unless a timely and complete renewal application has been submitted to the Division at least six months prior to the expiration date of the permit. Upon a timely and complete submittal, the authorization to operate within the terms and conditions of this permit, including any permit shield, shall remain in effect beyond the expiration date, until the renewal permit is issued or denied by the Division.
3. Any condition or portion of this permit which becomes suspended or is ruled invalid as a result of any legal or other action shall not invalidate any other portion or condition of this permit.
4. The permit contained herein may be revised, revoked, reopened, reissued, or terminated for cause. The filing of a request by the permittee for any permit revision, revocation, reissuance, or termination, or of a notification of a planned change or anticipated noncompliance shall not stay any permit condition.
5. The permit does not convey property rights or exclusive privileges.
6. The permit shall be subject to suspension at any time the permittee fails to pay all fees within 90 days after notification as specified in State Regulation 401 KAR 50:038, Air emissions fee.
7. Nothing in this permit shall alter or affect the authority of the U.S. EPA to impose emergency orders pursuant to Federal Statute 42 USC 7603, Emergency orders.
8. Nothing in this permit shall alter or affect the liability of the permittee for any violation of applicable requirements prior to or at the time of permit issuance.
9. Nothing in this permit shall alter or affect the authority of U.S. EPA to obtain information pursuant to Federal Statute 42 USC 7414, Inspections, monitoring, and entry.

### **B. Recordkeeping Requirements**

1. All records and support information required by State Regulation 401 KAR 50:035, Permits, shall be retained at the source authorized by this permit for a period of five years and shall be made available for inspection upon request by any duly authorized representative of the Division for Air Quality.
2. The permittee shall perform compliance certification and record keeping sufficient to assure compliance with the terms and conditions of the permit. Documents, including reports, shall be certified by a responsible official pursuant to State Regulation 401 KAR 50:035, Permits, Section 6.



## **SECTION C - GENERAL CONDITIONS (CONTINUED)**

### **C. Reporting Requirements**

1. In accordance with Regulation 401 KAR 50:055, Section 1, the owner or operator shall notify the Division for Air Quality's Paducah Regional Office by telephone as promptly as possible of any deviation from permit requirements, including those due to malfunctions, unplanned shutdowns, ensuing startups, or upset conditions. Pursuant to Regulation 401 KAR 50:035, Section 7(1)(e), the notification shall describe the probable cause of the deviations and corrective actions or preventive measures taken.
2. The permittee shall furnish information, to the Division and in writing, that the Division may request to determine whether cause exists for modifying, revoking, reissuing, or terminating this permit, or to determine compliance with this permit. Upon request, the permittee shall also furnish to the Division, copies of records, reports, and other information required by the permit to be kept.

### **D. Inspections**

1. The permittee shall allow the Cabinet or an authorized representative to perform the following:
  - a. Enter upon the premises where a source is located or emissions-related activity is conducted, or where records are kept;
  - b. Have access to and copy, at reasonable times, any records required by the permit:
    1. During normal office hours, and
    2. During periods of an emergency when prompt access to records is essential to proper assessment by the Cabinet;
  - c. Inspect, at reasonable times, any facilities, equipment (including monitoring and pollution control equipment), practices, or operations required by the permit. Reasonable times shall include, but are not limited to the following:
    1. During all hours of operation at the source,
    2. For all sources operated intermittently, during all hours of operation at the source and the hours between 8:00 a.m. and 4:30 p.m., Monday through Friday, excluding holidays, and
    3. During an emergency; and
  - d. Sample or monitor, at reasonable times, substances or parameters to assure compliance with the permit or any applicable requirements. Reasonable times shall include, but are not limited to the following:
    1. During all hours of operation at the source,
    2. For all sources operated intermittently, during all hours of operation at the source and the hours between 8:00 a.m. and 4:30 p.m., Monday through Friday, excluding holidays, and
    3. During an emergency.

## **SECTION C - GENERAL CONDITIONS (CONTINUED)**

### **E. Emergencies/Enforcement Provisions**

1. The permittee shall not use as defense in an enforcement action, the contention that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance.
2. Pursuant to State Regulation 401 KAR 50:035, Permits, Section 9, an emergency shall constitute an affirmative defense to an action brought for the noncompliance with the technology-based emission limitations if the permittee demonstrates through properly signed contemporaneous operating logs or other relevant evidence that:
  - a. An emergency occurred and the permittee can identify the cause of the emergency;
  - b. The permitted facility was at the time being properly operated;
  - c. During an emergency, the permittee took all reasonable steps to minimize levels of emissions that exceeded the emissions standards or other requirements in the permit; and
  - d. The permittee notified the Division as promptly as possible and submitted written notice of the emergency to the Division within two working days after the time when emission limitations were exceeded due to the emergency if the notice met the requirement of State Regulation 401 KAR 50:035, Permits, Section 7(1)(e)2, and included a description of the emergency, steps taken to mitigate emissions, and corrective actions taken.
3. Emergency provisions listed in General Condition E.2 are in addition to any emergency or upset provision contained in an applicable requirement.
4. In an enforcement proceeding, the permittee seeking to establish the occurrence of an emergency shall have the burden of proof.

### **F. Compliance**

1. Permit Shield - Except as provided in State Regulation 401 KAR 50:035, Permits, compliance by the affected facilities listed herein with the conditions of this permit shall be deemed to be compliance with all applicable requirements as of the date of the issuance of this permit.
2. Periodic testing or instrumental or non instrumental monitoring, which may consist of record keeping, shall be performed to the extent necessary to yield reliable data for purposes of demonstration of continuing compliance with the conditions of this permit. For the purpose of demonstration of continuing compliance, the following guidelines shall be followed:
  - a. Pursuant to State Regulation 401 KAR 50:055, General compliance requirements, Section 2(5), all air pollution control equipment and all pollution control measures proposed by the application in response to which this permit is issued shall be in place, properly maintained, and in operation at any time an affected facility for which the equipment and measures are designed is operated, except as provided by State Regulation 401 KAR 50:055, Section 1.
  - b. All the air pollution control systems shall be maintained regularly in accordance with good engineering practices and the recommendations of the respective manufacturers. A log shall be kept of all routine and non routine maintenance performed on each control device.

**SECTION C - GENERAL CONDITIONS (CONTINUED)**

**F. Compliance (Continued)**

2. c. A log of the monthly raw material consumption and monthly production rates shall be kept available at the facility. Compliance with the emission limits may be demonstrated by computer program (spread sheets), calculations or performance tests as may be specified by the Division.
3. Pursuant to Regulation 401 KAR 50:035, Permits, Section 7(2)(b), the permittee shall annually complete and return a Compliance Certification Form (DEP 7007CC) to the Division's Frankfort office. The form shall be signed by a responsible official and shall identify the compliance status of each affected facility listed herein with respect to the terms and conditions of this permit during the previous year. The compliance certification shall be submitted to the Division no later than January 15 of each year.